Claim Amendments

Please amend the claims as follows. This listing of claims will replace all prior versions and listing of claims in the application.

1. (Currently Amended) A computer-implemented method for determining whether an option grantor is required to pay a business entity under a contract associated with a look-back period and entered into prior to an end of the look-back period, wherein the contract is associated with one more facilities that convert a first commodity to a second commodity, the method comprising:

at the end of the look-back period, calculating, by one or more computing devices that execute a series of software instructions stored on a computer readable medium, a strip value of one or more option strips, wherein each option strip comprises a plurality of options corresponding to the one or more facilities subject to the contract, wherein each of the plurality of options corresponds to one of a plurality of time segments that occur over the look-back period, wherein calculating the strip value comprises:

calculating an option value for each of the plurality of options, wherein the value of each option of the plurality of options is calculated based on a difference between a first value and a second value that are evaluated at one of the plurality of time ~~periods~~ segments, wherein the first value is based on price data for the second commodity associated with the time segment, and wherein the second value is based on price data for the first commodity associated with the time segment; and

calculating the strip value based on an aggregation of the calculated option values;

comparing, by the one or more computer devices, the strip value to a predetermined value specified in the contract;

based on the comparison, determining, by the one or more computer devices, if a payment is to be made by the option grantor based on whether the strip value is less than the predetermined value, and if so, determining, by the one or more computer devices, a payment amount, wherein the payment amount is based on a difference between the predetermined value and the strip value; and

paying the payment amount from the option grantor to the business entity when the strip value is less than the predetermined value~~, wherein no payment is owed between the option grantor and the business entity under the contract when the strip value is greater than the predetermined value~~.

2. (Previously Presented) The method of claim 1, wherein the strip value is equal to the sum of all the option values.

3. (Previously Presented) The method of claim 1, wherein the strip value is related to the sum of all the option values.

4. (Currently Amended) The method of claim 1, wherein the price data for the second commodity associated with the time segment is based on ~~a price~~ an index price associated with the second commodity for the time segment, and wherein the price data for the first commodity associated with the time segment is based on ~~a price~~ an index price associated with the first commodity for the time segment.

5. (Currently Amended) The method of claim 1, wherein paying the payment amount comprises paying the payment amount with an electronic payment transfer corresponding to the payment amount.

6. (Previously Presented) The method of claim 1, wherein each option value is set to zero when the difference between the first value and the value is non-positive.

7. (Previously Presented) The method of claim 1, wherein the look-back period is a time period selected from the group consisting of six months and one year.

8. (Previously Presented) The method of claim 1, wherein a second contract with the option grantor covers a successive look-back period, and further comprising:
calculating, by the one or more computer devices, a second strip value of one or more option strips for the successive look-back period;

comparing, by the one or more computer devices, the second strip value to a second predetermined value for the successive look-back period;

based on the comparison, determining, by the one or more computer devices, if a second payment is to be made by the option grantor, and if so, determining a second payment amount, wherein the second payment amount is based on a difference between the second predetermined value and the second strip value.

9. (Canceled)

10. (Previously Presented) The method of claim 1, further comprising receiving, by the option grantor, a premium in exchange for entering into the contract.

11. (Original) The method of claim 10, further comprising a third-party guarantor guarantying payment obligations of the option grantor under the contract.

12. (Currently Amended) A system for determining whether an option grantor is required to pay a business entity under a contract associated with a look-back period and entered into prior to an end of the look-back period, wherein the contract is associated with one more facilities that convert a first commodity to a second commodity, the system comprising:

one or more computing devices, wherein the one or more computing devices comprises a computer readable medium for storing instructions, and wherein the one or more computing devices, upon executing the instructions, determine whether the option grantor is required to pay the business entity a payment amount under the contract by:

at the end of the look-back period, calculating a strip value of one or more option strips, wherein each option strip comprises a plurality of options corresponding to the one or more facilities subject to the contract, wherein each of the plurality of options corresponds to one of a plurality of time segments that occur over the look-back period, wherein calculating the strip value comprises:

calculating an option value for each of the plurality of options, where the value of each option of the plurality of options is calculated based on a difference between a first value and a second value that are evaluated at one of the

plurality of time segments, wherein the first value is based on price data for the second commodity associated with the time segment, and the second value is based on price data for the first commodity associated with the time segment; and

calculating the strip value based on an aggregation of the calculated option values;

comparing the strip value to a predetermined value specified in the contract; and

based on the comparison, determining if a payment is to be made by the option grantor based on whether the strip value is less than the predetermined value and, if so, determining the payment amount, wherein the payment amount is based on a difference between the predetermined value and the strip value~~, and wherein no payment is owed between the option grantor and the business entity under the contract when the strip value is greater than the predetermined value~~.

13. (Previously Presented) The system of claim 12, wherein the strip value is equal to the sum of all the option values.

14. (Previously Presented) The system of claim 12, wherein the strip value is related to the sum of all the option values.

15. (Previously Presented) The system of claim 12, wherein the computing device is further used for computing the payment amount when it is determined that the option grantor is required to pay the business entity.

16. (Previously Presented) The system of claim 15, wherein the computing device is further used for electronically transferring the payment amount from an account of the option grantor to an account of the business entity when it is determined that the option grantor is required to pay the business entity.

17. (Currently Amended) A computer readable medium having stored thereon instructions which, when executed by a computing device, cause the computing device to:

determine whether an option grantor is required to pay a business entity a payment under a contract that is associated with a look-back period and entered into prior to an end of the look-back period, wherein the contract is associated with one or more facilities that convert a first commodity to a second commodity, by:

at the end of the look-back period, calculating a strip value of one or more option strips, wherein each option strip comprises a plurality of options corresponding to the one or more facilities subject to the contract, wherein each of the plurality of options corresponds to one of a plurality of time segments that occur over the look-back period, wherein calculating the strip value comprises:

calculating an option value for each of the plurality of options, wherein the value of each option of the plurality of options is based on a difference between a first value and a second value that are evaluated at one of the plurality of time segments, wherein the first value is based on price data for the second commodity associated with the time segment, and the second value is based on price data associated with the time segment; and

calculating the strip value based on an aggregation of the calculated option values;

comparing the strip value to a predetermined value specified in the contract; and

based on the comparison, determining if a payment is to be made by the option grantor based on whether the strip value is less than the predetermined value and, if so, determining the payment amount, wherein the payment amount is based on a difference between the predetermined value and the strip value~~, and wherein no payment is owed between the option grantor and the business entity under the contract when the strip value is greater than the predetermined value~~.

18. (Original) The computer readable medium of claim 17, having further stored thereon instructions which, when executed by the computing device, cause the computing device to:

compute the payment amount when it is determined that the option grantor is required to pay the business entity.

19. (Original) The computer readable medium of claim 18, having further stored thereon instructions which, when executed by the computing device, cause the computing device to:

electronically transfer the payment from an account of the option grantor to an account of the business entity when it is determined that the option grantor is required to pay the business entity.

20-21. (Canceled)

22. (Currently Amended) The system of claim 12, wherein the price data for the second commodity associated with the time segment is based on ~~a price~~ an index price associated with the second commodity for the time segment, and wherein the price data for the first commodity associated with the time segment is based on ~~a price~~ an index price associated with the first commodity for the time segment.

23. (Currently Amended) The computer readable medium of claim 17, wherein the price data for the second commodity associated with the time segment is based on a ~~a price~~ an index price associated with the second commodity for the time segment, and wherein the price data for the first commodity associated with the time segment is based on ~~a price~~ an index price associated with the first commodity for the time segment.